

Senate Study Bill 1285 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to county funding of mental health and
2 disabilities services and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 331.381, Code 2015, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5A. Budget for and appropriate the moneys
4 necessary to meet the financial obligations of the county under
5 the regional service system management plan approved pursuant
6 to section 331.393.

7 Sec. 2. Section 331.392, subsection 4, Code 2015, is amended
8 by adding the following new paragraph:

9 NEW PARAGRAPH. *0a.* A method for determining the revenue
10 contributions required of the participating counties.

11 Sec. 3. Section 331.393, subsection 2, unnumbered paragraph
12 1, Code 2015, is amended to read as follows:

13 Each region shall submit to the department an annual service
14 ~~and budget~~ plan approved by the region's governing board
15 and subject to approval by the director of human services.

16 Provisions for the director of human services' approval of the
17 annual service ~~and budget~~ plan, and any amendments to the plan,
18 and other requirements shall be specified in rule adopted by
19 the state commission. The provisions addressed in the annual
20 service plan shall include but are not limited to all of the
21 following:

22 Sec. 4. Section 331.398, subsection 1, Code 2015, is amended
23 to read as follows:

24 1. ~~The financing of a regional mental health and disability~~
25 ~~service system is limited to a fixed budget amount. The~~
26 ~~fixed budget amount~~ prepared by the regional administrator
27 and approved by the voting members of the governing board
28 identified in section 331.390, subsection 2, paragraph "a",
29 shall be the amount identified in a regional service system
30 management plan and budget for the fiscal year. A region shall
31 receive state funding for growth in non-Medicaid expenditures
32 through the mental health and disability regional services
33 fund created in section 225C.7A to address increased service
34 costs, additional service populations, additional core service
35 domains, and increased numbers of persons receiving services.

1 Sec. 5. Section 331.424, subsection 1, paragraph a, Code
2 2015, is amended by adding the following new subparagraph:
3 NEW SUBPARAGRAPH. (10) For mental health and disabilities
4 services, an amount sufficient to pay the charges for services
5 provided under the regional service system management plan
6 approved pursuant to section 331.393.

7 Sec. 6. Section 331.424A, Code 2015, is amended to read as
8 follows:

9 **331.424A County mental health and disabilities services fund.**

10 1. For the purposes of this chapter and ~~chapter 426B~~, unless
11 the context otherwise requires~~+~~, "county services fund" means
12 a county mental health and disabilities services fund created
13 pursuant to this section.

14 ~~a. "Base year expenditures for mental health and disabilities~~
15 ~~services" means the same as defined in section 331.438, Code~~
16 ~~Supplement 2011, minus the amount the county received from the~~
17 ~~property tax relief fund pursuant to section 426B.1, Code 2011,~~
18 ~~for the fiscal year beginning July 1, 2008.~~

19 ~~b. "County population expenditure target amount" means the~~
20 ~~product of the statewide per capita expenditure target amount~~
21 ~~multiplied by a county's general population.~~

22 ~~c. "County services fund" means a county mental health and~~
23 ~~disabilities services fund created pursuant to this section.~~

24 ~~d. "Per capita growth amount" means the amount by which the~~
25 ~~statewide per capita expenditure target amount may grow from~~
26 ~~one year to the next.~~

27 ~~e. "Statewide per capita expenditure target amount" means the~~
28 ~~dollar amount of a statewide expenditure target per person as~~
29 ~~established by statute.~~

30 2. The county finance committee created in section 333A.2
31 shall consult with the department of human services and the
32 department of management in adopting rules and prescribing
33 forms for administering the county services funds.

34 3. County For the fiscal year beginning July 1, 2016,
35 and succeeding fiscal years, county revenues from taxes and

1 other sources designated by a county for mental health and
2 disabilities services shall be credited to the county ~~mental~~
3 ~~health and disabilities~~ services fund which shall be created by
4 the county. The board shall make appropriations from the fund
5 for payment of services provided under the regional service
6 system management plan approved pursuant to section 331.393.
7 The county may pay for the services in cooperation with other
8 counties by pooling appropriations from the county services
9 fund with appropriations from the county services fund of
10 other counties through the county's regional administrator,
11 or through another arrangement specified in the regional
12 governance agreement entered into by the county under section
13 331.392.

14 4. An amount shall be reserved in the county services fund
15 to address cash flow obligations in the next fiscal year. The
16 cash flow amount shall not exceed twenty-five percent of the
17 gross expenditures budgeted from the county services fund
18 for the fiscal year in progress. The cash flow amount for
19 a county's services fund shall be specified in the regional
20 governance agreement entered into by the county under section
21 331.392.

22 5. Receipts For the fiscal year beginning July 1, 2016, and
23 succeeding fiscal years, receipts from the state or federal
24 government for the mental health and disability services
25 administered or paid for by a county shall be credited to
26 the county services fund, including moneys distributed to
27 the county from the department of human services and moneys
28 allocated under chapter 426B.

29 ~~6. For each fiscal year, the county shall certify a levy~~
30 ~~for payment of services. For each fiscal year, county revenues~~
31 ~~from taxes imposed by the county credited to the services fund~~
32 ~~shall not exceed an amount equal to the amount of base year~~
33 ~~expenditures for mental health and disability services. A~~
34 ~~levy certified under this section is not subject to the appeal~~
35 ~~provisions of section 331.426 or to any other provision in law~~

1 ~~authorizing a county to exceed, increase, or appeal a property~~
2 ~~tax levy limit.~~

3 7. By October 15 and April 15 of each fiscal year, the
4 treasurer shall credit to the county services fund an amount
5 equal to one-half of the amount budgeted as the county's
6 obligation for payment of services under the regional service
7 system management plan approved pursuant to section 331.393.
8 Appropriations specifically authorized to be made from the
9 ~~mental health and disabilities county~~ services fund shall not
10 be made from any other fund of the county.

11 8. ~~Notwithstanding subsection 6, for the fiscal years~~
12 ~~beginning July 1, 2013, July 1, 2014, and July 1, 2015, county~~
13 ~~revenues from taxes levied by the county and credited to~~
14 ~~the county services fund shall not exceed the lower of the~~
15 ~~following amounts:~~

16 ~~a. The amount of the county's base year expenditures for~~
17 ~~mental health and disabilities services.~~

18 ~~b. The amount equal to the product of the statewide per~~
19 ~~capita expenditure target for the fiscal year beginning July~~
20 ~~1, 2013, multiplied by the county's general population for the~~
21 ~~same fiscal year.~~

22 Sec. 7. Section 426B.1, subsection 2, Code 2015, is amended
23 by striking the subsection.

24 Sec. 8. Section 426B.2, subsection 1, Code 2015, is amended
25 to read as follows:

26 1. The If moneys in the property tax relief fund are
27 appropriated by the general assembly, the director of human
28 services shall draw warrants on the ~~property tax relief~~ fund,
29 payable to the regional administrator or the county treasurer,
30 as appropriate, in the amount due to a region or a county in
31 accordance with section 426B.3 subsection 1A, and mail the
32 warrants to the regional administrators or the county auditors
33 in July and January of each year.

34 Sec. 9. Section 426B.2, Code 2015, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 1A. The general assembly shall determine
2 the method by which the moneys will be apportioned among the
3 counties.

4 Sec. 10. REPEAL. Sections 426B.3 and 426B.5, Code 2015,
5 are repealed.

6 Sec. 11. EFFECTIVE DATE. This Act takes effect July 1,
7 2016.

8 Sec. 12. APPLICABILITY. This Act applies commencing with
9 the budget and tax levy certification process for the fiscal
10 year beginning July 1, 2016.

11	EXPLANATION
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12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 This bill relates to county mental health and disabilities
15 services funding.

16 Under current Code sections 331.424A and 426B.3, county
17 property tax levy authority for such services is limited
18 based upon a per capita expenditure target amount for each
19 county of \$47.28 of the county's general population. This
20 current levy limitation is in effect for the mental health and
21 disability regional service system through FY 2015-2016. After
22 June 30, 2016, the levy will be limited by the current limit
23 on the county basic levy for general county services (i.e.,
24 \$3.50/\$1,000 assessed valuation).

25 The bill eliminates the county mental health and
26 disabilities services levy limitation in Code sections 331.424A
27 and 426B.3 and amends Code section 331.424 to authorize a
28 county board of supervisors to certify a supplemental levy
29 beyond the basic levy limitation for payment of county mental
30 health and disabilities services provided according to the
31 county's regional service system management plan, and amends
32 related Code provisions.

33 The bill also makes conforming changes to Code chapter 426B
34 (property tax relief fund — mental health and disabilities
35 services) relating to the elimination of state equalization

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1 payments from the property tax relief fund to counties with
2 base year expenditures that are less than the amount of the
3 statewide per capita expenditure.

4 The bill takes effect July 1, 2016, and applies commencing
5 with the budget and tax levy certification process for the
6 fiscal year beginning July 1, 2016.